

**RD14D00**  
**St. Mary's College of Maryland**  
**Response to the Department of Legislative Services**  
**FY2007 Operating Budget Analysis**

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**House Budget and Taxation Committee**  
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(These materials may be found online at: <http://www.smcm.edu/govtrelations/>)

## **Introduction**

St. Mary's College of Maryland is pleased that the legislative analyst's report recognizes the College's substantial success in meeting and exceeding its peer institutions on a number of measures. In particular, the College has tremendous pride in its superlative retention rate, six-year graduation rate, and high proportion of graduating minority students. **That the College continues to offer a preeminent public liberal arts education at a tuition far lower than that of its private peers is testament to the success of the College's mission in providing quality education to benefit the residents of the State of Maryland.** We will continue to actively promote scholarship and creativity by challenging our students to achieve academic excellence through close relationships with faculty, classroom activities, and experiential learning.

### **1. The President should discuss the drop in graduation rates, particularly for minority students, and how the small number of minority students impacts the data.**

The College experienced a drop in minority student retention for the class entering 1999, which consequently impacted the four-year and six-year graduation rates for those students. The current second-year retention rate for minority students is 83.3%, indicating that the four-year and six-year graduation rates for minority students are likely to improve. Our long-term trends continue to show progress.

### **2. The President should comment on the number of graduates who will become teachers and the percent of those who enter and continue in the profession. The President should also comment on the expected outcome of the new MAT program.**

The College currently certifies between twenty-five and thirty students per year. Over 90% of those students certified are either employed as teachers or are attending graduate school. We are also actively supporting, jointly with the public school system, the certification process for provisionally hired teachers. We are working to ensure that all of our certification seekers are educated in professional development schools. College data obtained from alumni surveys indicate that approximately 15% to 18% of our one-year out alumni are employed as teachers. The five-year out alumni report the same level of employment as teachers, indicating that St. Mary's graduates who enter the teaching profession remain in the profession. The College also takes great pride that an increasing number of our teaching alumni are taking leadership positions in education management.

The Masters program in teaching will begin during summer 2006 and will increase the yield of our graduates prepared and certified to enter a career in teaching. The College projects enrollment in the graduate program of between 20 to 40 students per year.

**3. Given this high rate of increase and the above-the-formula funding provided in the allowance, DLS recommends reducing SMCM's resident tuition rate increase to 4.8%. Reducing SMCM's tuition rate by three percentage points will reduce SMCM revenues by \$377,418. After this loss of revenue, SMCM would still have \$502,767 available for enhancements in fiscal 2007.**

Section 14-404 Education Article establishes the St. Mary's College Board of Trustees as the authority to manage and budget for College operations, including rate setting.

St. Mary's College received an average annual percentage change of 1.7% to its state operating grant from FY03 through FY06 (source: Higher Education Fiscal 2007 Budget Overview, page 4). The \$8,000 per full-time student state support proposed in the legislative budget analysis is less than the \$8,773 per student provided in 2001. When adjusted for inflation it is roughly three-quarters of the value of six years ago.

**4. The President should comment on future institutional aid needs of SMCM students and SMCM's proposed policies.**

In-state tuition at St. Mary's College rose at an average rate of 8.2% between FY02 and FY06, with a concurrent average annual increase of 1.7% in the state operating appropriation. During the same period, St. Mary's College increased need-based financial aid from \$227,225 to \$1,565,525, an aggregate change of 589%. This compares favorably with the 120% increase in need-based financial aid at the University of Maryland, College Park, during the same time period (source: Higher Education Fiscal 2007 Budget Overview, pages 7 and 42).

Institutional aid at St. Mary's College averages \$1,983 per student. The Trustees of the College have directed the administration to continue to fund annual increases to the need-based aid portion of the budget. The pro-forma budget for FY07 indicates another \$263,000 directed toward need-based financial aid.

**5. The President should comment on the progress towards achieving balance between the percent of graduating seniors completing St. Mary's Projects and faculty workload levels.**

St. Mary's College takes great pride in the increasing number of students completing the senior capstone St. Mary's Project. We project that 70% of the College's graduates during FY07 will complete a St. Mary's Project. The College funded five new faculty lines for FY06 and has plans to fund four new lines for FY07, with an additional nine lines planned for the three subsequent years. This long-term strategic plan will address both the St. Mary's Project faculty workload issue and will also stabilize our overall faculty workload. The hiring of additional full-time faculty and increases to need-based financial aid are the two largest items in the College's strategic plan, guaranteeing both academic quality and access for Maryland's students.